MEMORANDUM

NATIONAL SECURITY COUNCIL

TOP SECRET/SENSITIVE

INFORMATION September 17, 1970

ON-FILE NSC RELEASE INSTRUCTIONS APPLY

MEMORANDUM FOR THE FILES

SUBJECT: Vietnam Ad Hoc Working Group, September 11, 1970

OSD Review Completed

State Dept. review completed

MORI C05099244

Sullivan stated that the big news of the day was that the Program Law was apparently about to be sent to the GVN Senate. There had been two conflicting versions of this information, though, and Sullivan felt that he should go back with a cable to Saigon saying we were delighted to have the information but would remain skeptical until we actually saw the event happen. Sullivan thought, too, that it would be a good idea for the "Executive Branch" to pin this one down. If the news was correct, he hoped that the Law could be enacted by the time Mr. Shultz and Mr. Ehrlichman got there so that it would not appear they were making the visit to put the pistol to anyone's head.

Sullivan reported the gist of a briefing session which he had had with Mr. Shultz, who had been unaware of the problem of where the money is to come from for Vietnam in FY 72.

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<u>Sullivan</u> wanted AID to do a paper on the current economic package for Mr. Shultz, covering the Program Law, and outlining the financial dilemma which we face for FY 72.

Sullivan noted that in economic aid to Vietnam, the Australians had undertaken to increase their military and economic assistance by \$30 million over the next three years. Sullivan had asked the Country Director for Australia and New Zealand to draft a cable of appreciation from Secretary Rogers to Minister of External Affairs McMahon and also to draft a memorandum from the Secretary to the President.

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Sullivan said that Foreign Minister Lam wanted to come to Washington from the UN General Assembly in New York. Sullivan had suggested a delay of one week to accord with the Secretary's own schedule. Meanwhile, Tran Van Don would be here the same week. State would give Don a lunch, and he would also see Nutter in Defense on September 23. He had no real mission here.

On the Ky visit to the U.S., <u>Sullivan</u> reported he had sent a message telling the Embassy not to try to influence Ky. Bui Diem was still of the opinion that Ky would not come for the McIntyre rally, but would pay a visit later on.

Sullivan remarked that we might wish to renegotiate the overseas allowances which we were paying the ROK troops. Ambassador Brown had agreed, and State would go ahead and look into this matter, clearing it with Brown.

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Sullivan mentioned that Habib had reported that in his judgment there had been "wistful anxiety" on Xuan Thuy's part at the last Paris meeting concerning Bruce's presentation. Xuan Thuy had apparently expected Bruce to rush into private meetings, but Bruce had not done so. Xuan Thuy thus appeared rather disturbed.

Sullivan and Carver referred to the fact that there were no new infiltration groups on the trail despite a report as of September 6 that one group a day was about to enter the pipeline. If this had happened, we would have had reports.

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General Karhohs brought up Phase V redeployment in Vietnam, saying that Secretary Laird had been upset over a request from the NSC asking him to go over again the grounds for his approval of the withdrawal rates before and after Tet 1971. He said he could bring this subject up, since he was aware that Secretary Laird had talked to Dr. Kissinger about this -- he had been present during the telephone conversation. In any event, the response was due back to the NSC on September 11. Continuing on this subject, he stated that we were "up to speed" on the withdrawal of 50,000 troops by October 15, but that the real issue would come with the next increment. The Secretary had downgraded the risk of a rapid withdrawal prior to Tet, despite the fact that the JCS had been upset. He went on to say that the Army had worldwide manpower problems and wanted withdrawal to proceed at a rapid rate. In Secretary Laird's opinion, if the infiltration of the NVA forces was not stepped up, this could be safely done.

General Karhohs informed the group that General Peers was pushing for some kind of a medal for General Lu Lan, outgoing CO of MR II. General Abrams was opposed to decorating General Lu Lan not so much over the fact that Lu Lan was corrupt but strictly on the grounds of his military inefficiency.

Sullivan mentioned that Habib had both telephoned and cabled concerning his meeting with Sonn Sann on a possible Cambodian diplomatic peace initiative. Sonn Sann had appeared to be concerned over the possibility that a cease-fire could take place in Vietnam and Laos but not in Cambodia. Habib had not said anything in particular to Sonn Sann, and Sullivan was not planning on going back to Habib with any further instructions. We would simply stand fast.

Sullivan and General Smith touched upon the problem of the redeployment of A-1s from Thailand, saying that a telegram was going out on this which would ask Unger and Godley for their opinions. I reminded them both of the strong White House interest in this issue.

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